

FOR SALE BY ONLINE AUCTION

Border Lakes Property

Situated Between Lake and St. Louis County

Winton, Minnesota

A Sale for the

**U.S. Department of Agriculture,
Forest Service**

By the
General Services Administration

Invitation for Bids No. 1-PR-05-009

Important Notice

Bidders **should read all pages and all sections of the Invitation for Bids (IFB) before making a bid.**

Bids **must be made** on the **Bid Forms** contained in this **Invitation for Bids.**

All bids **must include** a **bid deposit** as described in the **Instructions for Bidders.**

All bidding **shall begin** at the amounts specified on the Bidder Registration Form and on the auction webpage.

All payments must be made by **Certified** or **Cashier's Check.**

All Checks must be payable to **U.S. General Services Administration**

If you wish to have your bid deposit returned to you via direct (Electronic Funds Transfer) deposit, please fill out and return page 25 of this IFB.

GSA is not responsible for the accuracy of any IFB that was not obtained directly from the United States Government.

Bidders should check the websites <http://propertydisposal.gsa.gov/Property> and <http://www.auctionrp.com/auctions2/> for changes and/or updates.

US General Services Administration
Thomas P. O'Neill, Jr. Federal Building
Property Disposal Division
10 Causeway Street, Room 925
Boston, MA 02222

INVITATION FOR BIDS

This Invitation for Bids contains information and forms necessary for interested parties to bid to purchase the property which is the subject of this sale. It shall be the responsibility of each bidder to familiarize him or herself with this Invitation for Bids, including the General and Special Terms of Sale, the Instructions to Bidders for Online Auction, the Bid Registration Form, and any other information or materials included in the Invitation for Bids or that may be made available under separate cover.

The auction will commence at 3:00 p.m., Eastern Daylight Time (EDT), on **Tuesday, August 16th, 2005**. The auction has no preset closing date but will conclude in accordance with the procedures set forth in Paragraph 11, "Call for Final Bids," of the Instructions to Bidders for Online Auction."

Parties interested in bidding on this property must register to bid in accordance with the Instructions to Bidders for Online Auction. As part of that registration, bidders must submit a deposit of **\$20,000.00** before bidding on the property; see Paragraph 4 of the Instructions to Bidders for Online Auction information. Bidding shall be in increments of **\$5,000.00**

For information about this property and the procedures and terms of sale, contact:

Karl M. Dietzler or
Alyssa Kennedy
U.S. General Services Administration
Property Disposal Division
10 Causeway Street, Room 925
Boston, MA 02222
Telephone: (617)565-5700
Fax: (617)565-5720
E-Mail: alyssa.kennedy@gsa.gov

Open house dates for this property are scheduled as follows:

Friday, August 26th, 2005 from 1:00 PM to 7:00 PM, Central Daylight Time (CDT)
Saturday, August 27th, 2005 from 9:00 AM to 5:00 PM, CDT

**PLEASE NOTE THAT THE ABOVE DATES ARE THE ONLY DATES AND TIMES
THIS PROPERTY WILL BE SHOWN. NO OTHER SHOWINGS WILL BE
SCHEDULED.**

Online bidding will take place at: <http://www.auctionrp.com>

Additional information regarding GSA's Property Disposal program is available at the Property Disposal Home Page: <http://propertydisposal.gsa.gov>

Submit initial bids with deposits to:

U.S. General Services Administration
Property Disposal Division (1PR)
ATTN: Lisa Faletra
Thomas P. O'Neill Federal Building
10 Causeway Street, Room 925
Boston, Massachusetts 02222
Telephone: (617)-565-5700

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Property Description

The property encompasses two parcels separated by a public road, totaling 1.69 acres, more or less, and is improved with a 3,456 square-foot commercial building. Additionally, the property is located on Fall Lake, and contains 330 feet of lake frontage.

The Forest Service utilized the building as a storage facility for equipment, office supplies, and documents. Prior to the Forest Service acquisition, the building and land was utilized as a commercial outfitter business. The second parcel of land is vacant.

The property is subject to minerals outstanding in third party.

The property is subject to easements for utilities to Minnesota Power & Light Company. Property has a sewer line right-of-way easement across adjacent property.

This property is within a federally-designated flood hazard area. The following clause will be included in the deed:

SUBJECT TO FLOODPLAIN COVENANTS AND CONDITIONS:

New construction or substantial improvement of any structure or facility in the floodplain, as that term is defined in Section 6 (c) of Presidential Executive Order 11988 dated May 24, 1977 (42 Fed. Reg. No. 101, pp. 26951-26957) located on the tract conveyed herein shall be consistent with the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4001, et seq.), the Flood Disaster Protection Act of 1973 (87 Stat. 975), criteria and regulations promulgated pursuant to said Acts, or applicable state and local standards which are more stringent than said Acts to included those set out in Chapter 777 amending Minnesota Statutes 1967 Chapter 105 and local provisions issued pursuant thereto. At a minimum, construction or substantial improvement of any structure or facility on said tract shall be in compliance with Lake County Shoreland Management Regulations.

This use restriction runs with and constitutes a servitude upon the land herein conveyed, is binding upon the Grantee, its successors, or assigns, and breach of its terms, conditions, or prohibition will automatically without further action and without regard to any provision of law, place any and all risk of loss, damage destruction, injury, death or other harm, whatsoever from the flooding of the tract upon the Grantee, its successors or assigns.

Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Covenant

1. The United States covenants that, as provided in Section 120(h)(4)(D)(I) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9620(h)(4)(D)(I), and subject to the availability of appropriated funds, the United States will conduct any response action or corrective action found to be necessary to address any hazardous substances or petroleum products which became to be located on the Property prior to the transfer to Grantee and which remains on the Property at the time of transfer. For the purposes of this paragraph, “response action or corrective action” shall mean any such actions that are required by the United States Environmental Protection Agency, or similar State or local regulatory agencies. This covenant shall not apply to the extent that Grantee its successors, transferees, assignees, or any person or entity occupying the Property pursuant to authorization from the Grantee causes or contributes to the release of hazardous substances at the Property. This covenant shall also not apply to the extent that a response action or corrective action is necessary to address a release of hazardous substances or petroleum products that occurs after the date of transfer.

2. Grantee, its successors, transferees, assignees, and any person or entity occupying the Property pursuant to the Grantee, its successors, transferees, or assignees, hereby grants the United States complete access to all areas, structures and improvements on the Property. If, after the date of transfer, the United States finds that additional response action or corrective action is necessary with respect to hazardous substances or petroleum products released on the Property prior to the date of transfer, the Grantee shall allow such access for the purpose of performing that additional response action or corrective action. For the purposes of this paragraph, “access” includes, but is not limited to, the authority to enter the Property; the authority to remove, to relocate, or to dispose of hazardous substances or petroleum products which are located on the Property; the authority to remove, to relocate, or to dispose of solid and liquid materials including chemicals, wastes, soil, water and contaminated portions of equipment, facilities, and structures on the Property for the purposes of performing necessary response measures; and the authority to take all other actions which are reasonably incidental or necessary to conduct any of the foregoing activities.

LEGAL DESCRIPTION

ST. LOUIS COUNTY

TOWNSHIP SIXTY-THREE NORTH, RANGE TWELVE WEST **SECTION TWENTY-FOUR:**

That part of Government Lot One (1) described as: Lots One (1) and Two (2), ST. CROIX PLAT, according to the plat thereof, on file and of record in the office of the County Recorder for St. Louis County, Minnesota, in Book B-1 of Plats, Page 7.

LAKE COUNTY

TOWNSHIP SIXTY-THREE NORTH, RANGE ELEVEN WEST **SECTION NINETEEN:**

That part of Government Lot Three (3) described as follows: Starting at the concrete monument one-inch iron pipe set in concrete situated 2,023.38 feet North of the West One Quarter corner of the Section Nineteen (19), Township Sixty-Three (63) North, Range Eleven (11) West, and assuming that line was due North and South; thence North a distance of 49.85 feet; thence North 59 degrees 22' East a distance of 120 feet to the place of beginning; thence North 59 degrees 22' East for a distance of 140 feet; thence South 30 degrees 38' East a distance of 200 feet; thence South 59 degrees 22' West a distance of 140 feet; thence North 39 degrees 38' West a distance of 200 feet to the point of beginning.

That part of Government Lot Three described as follows: Starting from an 18-inch iron pin at the quarter stake on the West side of said Section Nineteen (19), the same being the Southwest corner of Lot Four (4), Section Nineteen (19); thence North 0 degrees 9' West, a distance of 2,119.64 feet to an iron pin 18 inches long, sunk in the ground, the same being the place of beginning; thence North 59 degrees 22' East a distance of 255.14 feet to an iron pin 18 inches long, sunk in the ground; thence North 30 degrees 38' West a distance of 110.10 feet to an iron pin 18 inches long, sunk in the ground; thence Northwesterly on the same bearing a further distance of 33 feet, more or less, to the edge of Fall Lake; thence in a Southwesterly direction along the shore of Fall Lake, to a point which bears North 0 degrees 9' West from an iron pin 18 inches long, sunk in the ground; thence South 0 degrees 9' East a distance of 141 feet, more or less, from the shoreline to said iron pin, the same being the place of beginning.

That part of Government Lot Three (3) described as follows: Starting from an 18 inch iron pin at the quarter stake on the West side of Section Nineteen (19), the same being the Southwest corner of Lot Four (4), Section Nineteen (19); thence North 0 degrees 9' West a distance of 2,119.64 feet to an iron pin 18 inches long, sunk in the ground; thence North 59 degrees 22' East a distance of 255.14 feet to an iron pin 18 inches long, sunk in the ground, the same being the place of beginning; thence North 30 degrees 38' West a distance of 110.10 feet to an iron

pin 18 inches long, sunk in the ground; thence Northwesterly on the same bearing, a further distance of 33 feet, more or less, to the edge of Fall Lake; thence in a Northeasterly direction along the shore of Fall Lake to a point which bears North 30 degrees 38' West from an iron pin 18 inches long, sunk in the ground; thence South 30 degrees 38' East a distance of 50 feet, more or less from the shoreline to said iron pin; thence South 30 degrees 38' East a distance of 136.70 feet to an iron pin 18 inches long, sunk in the ground; thence South 59 degrees 22' West a distance of 75 feet to the point of beginning.

Containing a total of 1.69 acres of land, more or less.

GENERAL TERMS OF SALE

- 1. TERM – “INVITATION FOR BIDS”** The term “Invitation for Bids” (IFB) as used herein refers to the foregoing IFB and its Property Description; General Terms of Sale; the Instructions to Bidders for Online Auction; and the Environmental and Historic Notices and any provisions of the Bid Form and Acceptance; all of which are attached to this IFB and incorporated and made a part hereof, and as may be modified and supplemented by any addenda or amendments that may be issued prior to the time fixed in the IFB for the opening of bids or conducting of an auction.
- 2. DESCRIPTION PROVIDED:** The descriptions of the property set forth in the IFB and any other information provided therein with respect to said property are based on the best information available to the U.S. General Services Administration (GSA) Property Disposal Division and are believed to be correct, but any error or omission, including but not limited to the omission of any information available to the agency having custody over the property and/or any other Federal agency, shall NOT constitute grounds or reason for nonperformance of the contract of sale, or claim by Purchaser for allowance, refund, or deduction from the purchase price.
- 3. INSPECTION:** Bidders are invited, urged, and cautioned to inspect the property to be sold prior to submitting a bid. The failure of any bidder to inspect, or to be fully informed as to the condition of all or any portion of the property offered, will not constitute grounds for any claim or demand for adjustment or withdrawal of a bid after the bid opening or auction.
- 4. CONDITION OF PROPERTY:** The property is offered for sale and will be sold “AS IS” and “WHERE IS” without representation, warranty, or guarantee as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the purpose for which intended, and claim(s) for any allowance or deduction upon such grounds will NOT be considered after the bid opening or conclusion of an auction.
- 5. ZONING:** Verification of the present zoning and determination of permitted uses thereunder, along with compliance of the property for present or proposed future use, shall be the responsibility of the bidder and the Government makes no representation in regard thereto. The Government does not guarantee that any zoning information is necessarily accurate or will remain unchanged. Any inaccuracies or changes in the zoning information shall NOT be cause for adjustment or rescission of any contract resulting from this Invitation for Bids or sales agreement. Please note that any reference to zoning is included for informational purposes only and is not to be relied upon by the bidder.

 - a.** The Government strongly encourages interested parties to consult with the Lake County Planning and Zoning Office at (218)-834-8327 and St. Louis County Planning Department at (218)-725-5000, regarding any applicable requirements.
- 6. CONTINUING OFFERS:** Each bid received shall be deemed to be a continuing offer after the date of bid opening or conclusion of an auction for 60 calendar days, unless the bid is accepted or rejected by the Government

before the expiration of the 60 calendar days. If the Government desires to accept any bid after the expiration of the 60 calendar days, the consent of the bidder shall be obtained prior to such expiration.

7. POSSESSION:

- a. The successful bidder agrees to assume possession of the property within 15 calendar days of a written request given by the Government after acceptance of its bid. Should the successful bidder fail to take actual possession within such period, the bidder shall nonetheless be charged with constructive possession commencing at 12:01 a.m., local time at the location of the property, on the 16th calendar day after such request by the Government. The word "possession" shall mean either actual physical possession or constructive possession.
- b. Although by assuming possession under a., above, the bidder incurs certain responsibilities and obligations under other conditions of this contract, such possession does not confer any right in the bidder either to make any alterations or improvements in or to the property or to use it for any purpose of its own without first obtaining the written approval of the Contracting Officer. Any such approval will be conditioned on the bidder paying to the Government for the privileges granted, for the period from the date of the approval to the date of conveyance, an amount equal to the interest for such interval of time on the unpaid balance of the purchase price. The interest rate shall be computed based on the yield of 10-year United States Treasury maturities as reported by the Federal Reserve Board in "Federal Reserve Statistical Release H.15" plus 1½%

rounded to the nearest one-eighth percent (1/8%) as of the date of bid acceptance.

8. INSURANCE:

- a. In the event a bid to purchase is accepted and possession of the property is assumed by the successful bidder prior to the date of conveyance, the successful bidder shall procure and maintain insurance at its own expense, effective for the period from the date of assumption of possession to the date of conveyance, for the benefit of the Government, in such kinds and amounts as may be required by the Government, in companies acceptable to the Government.
- b. Fire, extended coverage, vandalism and malicious mischief, personal injury and liability, and such other property insurance as required to protect the Government's interest shall be maintained on the real and personal property covered by the bid, and shall be in such amounts which, after taking into account the coinsurance provision, if any, of the insurance policies, will protect the unpaid indebtedness.
- c. Information concerning insurance requirements will be furnished by:

General Services Administration
Property Disposal Division
10 South Causeway Street
Room 925
Boston, Massachusetts 02222
Telephone: (617) 565-5700

- 9. TAXES AND CLOSING COSTS:** As of the date of assumption of possession of the property, or the date of conveyance, whichever occurs first, the successful bidder shall assume responsibility for all general and special real and personal property taxes which may have been or may be assessed on

the property and to prorate sums paid, or due to be paid, by the Government in lieu of taxes. All closing costs, including escrow and financing fees, shall be borne solely by the successful bidder.

10. RISK OF LOSS: As of the date of assumption of possession of the property, or the date of conveyance, whichever occurs first, the successful bidder shall assume responsibility for care and handling and all risks of loss or damage to the property and shall have all obligations and liabilities of ownership.

11. REVOCATION OF BID AND DEFAULT: In the event of revocation of a bid after the opening of bids or conducting of an auction but prior to acceptance, or in the event of revocation of a bid after notice of acceptance, or in the event of any default by the successful bidder in the performance of the contract of sale created by such acceptance, or in the event of failure by the successful bidder to consummate the transaction, the deposit, together with any payments subsequently made on account, may be forfeited at the option of the Government, in which event the bidder shall be relieved from further liability, or without forfeiting said deposit and payments, the Government may avail itself of any legal or equitable rights it may have under the bid or contract of sale.

12. GOVERNMENT LIABILITY: If the Bid for Purchase of Government Property is accepted by the Government (Seller) and: (1) Seller fails for any reason to perform its obligations as set forth herein; or (2) Title does not transfer or vest in the successful bidder (Purchaser) for any reason, although Purchaser is ready, willing, and able to close, Seller shall promptly refund to Purchaser all amounts of money Purchaser has paid, without interest,

whereupon Seller shall have NO further liability to Purchaser.

13. TITLE EVIDENCE: Any title evidence that may be desired by the successful bidder will be procured by the bidder at its sole cost and expense. The Government will, however, cooperate with the successful bidder or its authorized agent in this connection, and will permit examination and inspection of such deeds, abstracts, affidavits of title, judgments in condemnation proceedings, or other documents relating to the title of the premises and property involved as it may have available. It is understood that the Government will not be obligated to pay for any expense incurred in connection with title matters or survey of the property.

14. TITLE: If a bid for the purchase of a property is accepted, the Government's interest will be conveyed by a Quitclaim Deed or Deed Without Warranties and/or, where appropriate, a Bill of Sale in conformity with local law and practice. The Government does not pay for title insurance but the Purchaser may wish to acquire a title insurance policy from a local title company.

15. TENDER OF PAYMENT AND DELIVERY OF INSTRUMENT(S) OF CONVEYANCE: The Government shall set a sale closing date, said date to be not later than 45 calendar days after acceptance of the bid. On the closing date, the successful bidder shall tender to the Government, by wire transfer, cashier's check, certified check, or U.S. Postal Service money order, the balance of the purchase price. Upon such tender being made by the successful bidder, the Government shall deliver to the successful bidder the instrument, or instruments, of conveyance. The Government reserves the right to extend the closing date for a reasonable amount of time for purposes

of preparing necessary conveyance documents. In any event, if possession was assumed by the successful bidder prior to the date of conveyance, the successful bidder shall pay, in addition to the purchase money due, an amount determined in accordance with paragraph 7., above, if applicable.

16. DELAYED CLOSING: The successful bidder shall pay interest on the outstanding balance of the purchase price if the closing of the sale is delayed, and the delay is caused, directly or indirectly, by the successful bidder's action and not by any action on the part of the Government. The interest rate shall be computed based on the yield of 10-year United States Treasury maturities as reported by the Federal Reserve Board in "Federal Reserve Statistical Release H.15" plus 1½% rounded to the nearest one-eighth percent (1/8%) as of the date of bid acceptance. The Government reserves the right to refuse a request for extension of closing.

17. DOCUMENTARY STAMPS AND RECORDING COSTS: The successful bidder shall pay all taxes and fees imposed on this transaction and shall obtain at bidder's own expense and affix to all instruments of conveyance and security documents such revenue and documentary stamps as may be required by Federal and local law. All instruments of conveyance and security documents shall be placed on record in the manner prescribed by local recording statutes at the successful bidder's expense. A CONFORMED COPY OF THE RECORDED Deed must be provided to: The Superior National Forest, 8901 Grand Avenue Place, Duluth, MN. 55808 and U.S. General Services Administration, Property Disposal Division (1PR), 10 Causeway Street, Room 925, Boston, MA 02222.

18. CONTRACT: The Invitation for Bids, and the bid when accepted by the Government, shall constitute an agreement for sale between the successful bidder and the Government. Such agreement shall constitute the whole contract to be succeeded only by the formal instruments of transfer, unless modified in writing and signed by both parties. No oral statements or representations made by, or for, or on behalf of either party shall be a part of such contract. Nor shall the contract, or any interest therein, be transferred or assigned by the successful bidder without consent of the Government, and any assignment transaction without such consent shall be void.

19. OFFICIALS NOT TO BENEFIT: No member of, or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of the contract of sale or to any benefit that may arise therefrom, but this provision shall not be construed to extend to the contract of sale if made with a corporation for its general benefit. GSA employees are prohibited from bidding on the property offered in the IFB.

20. COVENANT AGAINST CONTINGENT FEES: The successful bidder warrants that he or she has not employed or retained any person or agency to solicit or secure this contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Government the right to annul the contract without liability or in its discretion to recover from the successful bidder the amount of such commission, percentage, brokerage, or contingent fee in addition to the consideration herewith set forth. This warranty shall not apply to commissions payable by the successful bidder upon the contract secured or made through bona fide established commercial agencies maintained by the

successful bidder for the purpose of doing business. "Bona fide established commercial agencies" has been construed to include licensed real estate brokers engaged in the business generally.

21. SALE AND CONVEYANCE:

The sale and conveyance of the Property shall be made subject to the following:

- (1) All covenants, easements, reservations, restrictions, and encumbrances, whether of record or not.
- (2) Any statement of facts which a physical inspection and accurate survey of the property may disclose.

SPECIAL TERMS OF SALE FOR ONLINE AUCTION

1. **METHOD OF SALE:** This property will be sold by online auction. The bid that offers the greatest return to the Government may be accepted.
2. **ENVIRONMENTAL CERTIFICATION:** Refer to Page 6 of this Invitation for Bids.
3. **NOTICE OF THE PRESENCE OF ASBESTOS – WARNING:**
 - a. The Purchaser is warned that the property offered for sale may contain asbestos-containing materials, none of which are friable. Unprotected or unregulated exposures to asbestos in product manufacturing, shipyard, and building construction workplaces have been associated with asbestos-related diseases. Both the Occupational Safety and Health Administration (OSHA) and the Environmental Protection Agency (EPA) regulate asbestos because of the potential hazards associated with exposure to airborne asbestos fibers. Both OSHA and EPA have determined that such exposure increases the risk of asbestos-related diseases, which include certain cancers and which can result in disability or death.
 - b. Bidders are invited, urged, and cautioned to inspect the property to be sold prior to submitting a bid. More particularly, bidders are invited, urged, and cautioned to inspect the property as to its asbestos content and condition and any hazardous or environmental conditions relating thereto. The disposal agency will assist bidders in obtaining any authorization(s) which may be required in order to carry out any such inspection(s). Bidders shall be deemed to have relied solely on their own judgment in assessing the overall condition of all or any portion of the property including, without limitation, any asbestos hazards or concerns.
 - c. No warranties, either express or implied, are given with regard to the condition of the property including, without limitation, whether the property does or does not contain asbestos or is or is not safe for a particular purpose. The failure of any bidder to inspect, or to be fully informed as to the condition of all or any portion of the property offered, will not constitute grounds for any claim or demand for adjustment or withdrawal of a bid or offer after its opening or tender.
 - d. The description of the property set forth in the Invitation for Bids and any other information provided therein with respect to said property is based on the best information available to the disposal agency and is believed to be correct, but any error or omission, including but not limited to the omission of any information available to the agency having custody over the property and/or any other Federal agency shall not constitute grounds or reason for nonperformance of the contract of sale, or any claim by the Purchaser against the Government

including, without limitation, any claim for allowance, refund, or deduction from the purchase price.

e. The Government assumes no liability for damages for personal injury, illness, disability, or death to the Purchaser, or to the Purchaser's successors, assigns, employees, invitees, or any other person subject to Purchaser's control or direction, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the property which is the subject of this sale, whether the Purchaser, its successors or assigns, has or have properly warned or failed to properly warn the individual(s) injured.

f. The Purchaser further agrees that, in its use and occupancy of the property, it will comply with all Federal, state, and local laws relating to asbestos.

4. NOTICE OF THE PRESENCE OF LEAD-BASED PAINT:

a. **LEAD-BASED PAINT HAZARD WARNING:** The property (including the improvements) that is the subject of this sale was built before 1978 and may contain lead-based paint. Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological

damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

b. **RISK ASSESSMENT AND INSPECTION.** The Government prepared a risk assessment and a lead-based paint inspection in accordance with 40 CFR 745.227. Bidders are encouraged to review this document and any other reports identified by the Government on the Lead-Based Paint Disclosure Form found in this Invitation for Bids. Although a complete set of documents will be provided to the purchaser prior to closing, each bidder is strongly encouraged to review the risk assessment and any other reports prior to submitting a bid.

c. **INSPECTION BY BIDDER.** Bidders may conduct their own inspection or perform a risk assessment for the presence of lead-based paint and/or lead-based paint hazards at any time prior to submitting a bid. Before entering the property, the bidder must first make arrangements with the individual identified to contact for inspection of the property. The Bidder is invited to take as much time as necessary to conduct such inspection or assessment prior to the deadline for submission of the bid. Bidders are encouraged to conduct

any inspections and assessments early in the process since the auction will not be delayed to accommodate completion of such inspections and assessments.

d. LEAD HAZARDS PAMPHLET.

In order to fully understand the risks and hazards associated with the presence of lead-based paint and lead-based paint hazards, bidders are encouraged to review the pamphlet *Protect Your Family From Lead In Your Home*. A copy may be accessed through EPA's website at:

<http://www.epa.gov/lead/leadpdf.pdf>

GSA encourages every bidder to review this pamphlet prior to submitting a bid.

- e. DISCLOSURE FORM.** Each bidder must complete and execute the appropriate portions of the form entitled *United States Of America ("Seller") Disclosure Of Information On Lead-Based Paint And/Or Lead-Based Paint Hazards*, and submit the form with their bid before the time established for bid opening. In the event bidder fails to include a completed and executed form with their bid, the bid shall be rendered non-responsive.

- f. ABATEMENT AND CLEARANCE.** The Purchaser shall abate all lead-based paint hazards in accordance with 40 CFR 745.227 and other applicable laws and regulations prior to the occupancy of any residential Improvements prior to 1960. Title shall be conveyed to the Purchase in a deed that elaborates on these requirements. The Purchaser shall ensure that a clearance examination is performed in accordance with 40 CFR 227(e) and 24 CFR 35.1340(c) through (f), by a person certified to

perform risk assessments or lead-based paint inspections. The examination must indicate that the clearance samples meet the standards set forth in 24 CFR 35.1320(b)(2). The Purchaser shall provide The Government with an executed *Certificate of Completion of Lead Abatement* prior to said occupancy, a copy of which is set forth in this Invitation for Bids. The Purchaser must attach to the Certificate a copy of the clearance report, prepared by a person certified to perform risk assessments or lead-based paint inspections in accordance with 40 CFR 74.227(e)(10). Purchaser shall indemnify and defend the United States for any claims of losses arising from Purchaser's use of Improvements built before 1960 that have not been abated by the Purchaser in accordance with the IFB and the deed.

- 5. EASEMENTS:** The property will be conveyed subject to any and all existing reservations, easements, restrictions, and rights, recorded and unrecorded, for private and public roads, highways, streets, pipelines, railroads, utilities, water lines, sewer mains and lines, storm sewers and drains, and other rights-of-way, including, but not limited to, any specific easements, restrictions, rights, or covenants set forth above.
- 6. REJECTION:** The Government reserves the right to reject any and all bids.
- 7. SELLER'S DEFAULT:** If a bid is accepted and Seller fails for any reason to perform its obligations as set forth herein, or title to the property does not transfer and vest in the Purchaser for reasons outside the Purchaser's control, Seller shall promptly refund to Purchaser all amounts paid by Purchaser, without interest, whereupon

Seller shall have no further liability to Purchaser.

8. **LIABILITY:** With respect to any claim against the Government, the extreme measure of the Government's liability shall not, in any event, exceed refund of the purchase price or such portion thereof as the Government may have received.

INSTRUCTIONS TO BIDDERS FOR ONLINE AUCTION

1. AUCTION START DATE: The online auction starts: **August 16th, 2005 at 3:00 PM, Eastern Daylight Time (EDT).**

2. TYPE OF SALE: This sale will be an online auction conducted via the Internet and by submission of written or faxed bids. The auction will be conducted over a period of several weeks or until the property is sold. The date for receipt of final bids will be announced on the Internet and on a telephone hotline message with three days prior notice (see Paragraph 11 in this section, Call for Final Bids). The auction may continue beyond that date as long as bidders are willing to submit higher bids. Thus, the bidders determine when the sale closes by their bidding activity.

3. BIDS AND TERMS OF SALE: Bids to purchase must be on an ALL CASH basis only. Buyers are expected to arrange their own financing and to pay the balance in full by the closing date. No government credit terms are available. GSA has no information on the availability of private financing or on the suitability of this property for financing.

4. REGISTRATION DEPOSIT:

a. A registration deposit in the amount of **\$20,000.00** must accompany your Bidder Registration and Bid Form. The following methods of payment are acceptable: (1) cashier's check, (2) certified check, (3) U.S. Postal Service money order, and (4) credit card payment (Visa or MasterCard only). Personal or company checks are **NOT** acceptable and will be returned to sender. To register to bid and if you are prepared to make an initial bid, please complete the enclosed Bidding Registration and Bid Form for Purchase for Government Property and send the form with your bid deposit to:

**U.S. General Services Administration
Property Disposal Division (IPR)
Thomas P. O'Neill Federal Building
10 Causeway Street, Room 925
Boston, Massachusetts 02222
Attn: Lisa Faletra**

c. Please make your check payable to:
"U.S. General Services Administration".

Deposits by credit card (Visa or MasterCard) may be made over the Internet by following the instructions on the web site: <http://www.auctionrp.com> or by using the enclosed Registration Deposit by Credit Card form. **Only upon GSA's receipt of your registration deposit will you be allowed to bid online or by the submission of a written faxed bid.**

c. Within forty-eight (48) hours of acceptance of an offer by the Government, the successful bidder agrees to deposit an additional amount, if any, which when added to the bid deposit, will equal at least ten percent (10%) of the amount bid. Failure to so provide such bid deposit shall require rejection of your bid.

d. Upon acceptance of a bid, the appropriate bid deposit of the successful bidder shall be applied towards payment of the successful bidder's obligation to the Government. The full balance of the purchase price is payable within forty-five (45) calendar days after award. At the time of closing, all cash money paid by the Purchaser will be credited, without interest, toward the total purchase price.

e. Registration deposits received from the two highest bidders will be held as stipulated in Paragraph 14 of these instructions. All other registration deposits will be returned.

5. BIDDER REGISTRATION AND BIDS:

a. Bidder registration and subsequent bids must be submitted on the official Bid Form titled "Bidder Registration and Bid Form for Purchase of Government Property" accompanying this IFB. All information and certification requested thereon must be provided. **Bidder registration and bids submitted which fail to furnish all information or certifications required may be summarily rejected.** Additional bid forms are available upon request or you may photocopy the forms in this IFB.

b. The Bidder Registration and Bid Form should be filled out legibly with all erasures, strikeouts, and corrections initialed by the person signing the bid. The Bid Form must be signed and dated.

c. To register online, bidders should return to GSA their original signed and completed Bidder Registration and Bid Form. Bidders should retain all other documents, including one copy of the Bidder Registration and Bid Form, for personal records.

6. USER IDENTIFICATION NUMBER:

A User Identification ("ID") number and password are used to register online and to place bids online. If you register online, you will be required to assign your own User ID (limited to eight (8) characters) and password. **Since the User ID is used to publicly identify bids, and for your privacy, we strongly encourage you to create your User ID in a manner that protects you or your company's identity.** The User ID must be on the bid form when submitting bid increases by mail or fax. The User ID number will be used to identify the bidders on our auction web page, <http://www.auctionrp.com>.

7. BIDDING IN GENERAL:

a. Bids may be delivered to our office either in person, by fax, by U.S. Mail, by private delivery services, or via the Internet at: <http://www.auctionrp.com>.

b. Bidders who registered online may increase their bids by following the instructions at [auctionrp.com](http://www.auctionrp.com). They may also submit increased bids in person, by fax, U.S. Mail, or private delivery services. By submitting your bid through [auctionrp.com](http://www.auctionrp.com), you agree that your Internet bid is a binding offer. You will be legally obligated for any and all bids submitted using your ID number and password on the Internet.

c. Bids must be submitted without contingencies.

d. Bids that are not submitted on GSA forms will be rejected.

8. FAXING YOUR BID:

a. Bids by fax may be made with a credit card (either Visa or MasterCard) by using the deposit form in the bid package. By faxing your bid, you are agreeing that your faxed bid is a binding offer. Faxed bids must be completely filled out and signed. The 24-hour fax number for increased bids or initial bids is (617) 565-5720.

b. A bid submitted by fax must arrive at the place and by the date and time that the Government has

specified as the deadline for receipt of bids. If a bidder chooses to transmit a bid by fax, the Government will not be responsible for any failure attributable to the transmission or receipt of the faxed bid, including, but not limited to, the following: 1) Receipt of a garbled or incomplete bid. 2) Availability or condition of the receiving facsimile equipment. 3) Incompatibility between the sending and receiving equipment. 4) Delay in transmission or receipt of bid. 5) Failure of the bidder to properly identify the bid. 6) Illegibility of bid. 7) Security of bid.

c. If your faxed bid is not reflected on the GSA Property Disposal Hotline recording or on the web page, and your bid is higher than the announced bid, you must call GSA at (617) 565- 5700 for verification that your bid was received.

9. DAILY BIDDING RESULTS: Bidders may call GSA's 24-hour bid hotline at 1-800-241-1417 to hear the current high bid. Bidders may also visit <http://www.propertydisposal.gsa.gov> or our online auction web site at: <http://www.auctionrp.com> to obtain current bidding information. The bid hotline and GSA Internet Home Page will be updated each business day (excluding Federal Holidays and weekends) with the highest bid received. Bidders will be notified via the web page when bidding will be closed. If your bid is not accurately shown on the web page, then you should call GSA at (617) 565-5700. Bidders are urged to pay close attention to the recording and web page, which will contain new, revised and useful information regarding the high bid, modification to bid increment, and the closing date of the auction.

10. INCREASING YOUR BID: If you learn from the recorded message or from the web page that your bid was not the high bid, you may increase the high bid until such time as bidding is closed. Increases in previously submitted bids are welcome and the bid deposit from your first bid will apply to subsequent increased bids. Increased bids must be submitted on the official GSA bid forms unless you are bidding online. Official bid forms may be photocopied. Increased bids must be at least **\$5,000.00** more than the previous high bid in order to be considered. **The Government reserves the right to modify the minimum bid increment at any time prior to the close of the sale.** To increase a previously submitted bid, bidders may use one of the following methods: in person, by fax, U.S. Mail, private delivery services, or online at www.auctionrp.com. In the event that two bids of equal value are received via U.S. mail, fax, online, etc., the first bid received will be recognized.

11. CALL FOR FINAL BIDS: Once bidding slows down, a date will be set for the receipt of final bids. That date, referred to as the “soft close date” will be announced on the web page and on the GSA bid hotline recording. On that date, commencing at 9:00 a.m., Eastern Time, if no increased bid is received by 5:00 p.m. Eastern Time, then bidding will close at 5:00 p.m. and consideration will be given to selling the property to the high bidder. If an increased bid is received on a timely basis, then bidding will be continued over until the next business day on the same terms. Eventually, no one will outbid the high bidder and bidding will close at 5:00 p.m. Eastern Time on that day. **The Government reserves the right to increase the minimum bid increment once the soft close date has been established.** There is no advantage to waiting until the last minute to bid.

12. BID EXECUTED ON BEHALF OF BIDDER:

a. A bid executed by an attorney or agent on behalf of the bidder shall be accompanied by an authenticated copy of their Power of Attorney or other evidence of their authority to act on behalf of the bidder.

b. If the bidder is a corporation, the Certificate of Corporate Bidder must be executed. The Certificate must be executed under the corporate seal by some duly authorized officer of the corporation other than the officer signing the bid. In lieu of the Certificate of Corporate Bidder, there may be attached to the bid, copies of so much of the records of the corporation as will show the official character and authority of the officer signing duly certified by the secretary or assistant secretary, under the corporate seal, to be true copies.

c. If the bidder is a partnership, and all partners sign the bid with a notation that they are all general partners, the Government will not ordinarily require any further proof of the existence of the partnership. If all the partners do not sign the bid, then the names of all those except limited partners must be furnished on the bid and the Government, in its discretion, may require evidence of the authority of the signer(s) to execute the bid on behalf of the partnership.

d. If the bidder is a Limited Liability Corporation (LLC), a Certificate of the LLC must be completed and executed by the manager.

13. WAIVER OF INFORMALITIES OR IRREGULARITIES: The Government may, at its election, waive any minor informality or irregularity in bids received.

14. BACKUP BIDDER: The second-highest bidder will be the backup bidder. If the high bidder is unable to consummate the transaction, the second highest bidder may then be considered for award. The backup bidder's deposit will be retained, without interest, until the first high bidder has increased their initial bid deposit to the required 10% of the purchase price. Subsequently, the bid deposit of the second high bidder will be returned by mail immediately thereafter. In the event that the Government is unable to make an award to the highest or second-highest bidder, the Government reserves the right to negotiate with the remaining bidders and make an award that is in the best interest of the Government.

15. ACCEPTABLE BID: An acceptable bid is one received from a responsible bidder, whose bid, conforming to this IFB, will be most advantageous to the Government, price and other factors considered.

16. NOTICE OF ACCEPTANCE OR REJECTION: Notice by the Government of acceptance or rejection of the bid shall be deemed to have been sufficiently given when faxed or mailed to the bidder or his duly authorized representative at the fax/phone number or address indicated in the bid. The processing of a bid deposit by the Government shall not, in itself, constitute acceptance of the bidder's offer. The Government reserves the right to reject any and all bids or portions thereof.

17. ADDITIONAL INFORMATION: The GSA issuing office at the address given in this IFB will, upon request, provide additional copies of this IFB and answer requests for additional available information concerning the Property offered to facilitate preparation of bids. Each bid shall be deemed to have been made with full knowledge of all terms, conditions, and requirements contained in this IFB.

**BIDDER REGISTRATION AND BID FOR
PURCHASE OF SINGLE FAMILY RESIDENCE
BORDER LAKES PROPERTY
Winton, Lake and St. Louis County, Minnesota
GSA Control No. 1-A-MN-0583**

General Services Administration
Property Disposal Division (1PR)
10 Causeway Street, Room 925
Boston, MA 02222
Attn: Lisa Faletra

Check One:

Initial Bid _____

Increased Bid _____

Fax: 617-565-5720

The undersigned bidder hereby offers and agrees to purchase the property described in the Invitation for Bid No. 1-PR-05-009, including any amendments, (collectively the "IFB") for the bid amount listed below. The Bidder further agrees that said offer is made subject to the terms and conditions of the IFB, which by this reference is incorporated in the bid and made a part of the bid.

REGISTRATON DEPOSIT: \$20,000.00

BID AMOUNT: _____

In the event this bid is accepted, the instrument of conveyance should name the following as grantee(s): _____

Indicate above the manner in which title is to be taken (e.g., Solo and Separate Property, Joint Tenants, Tenants in Common, Community Property). Include name of spouse if applicable.

BIDDER REPRESENTS that he/she operates as (check one):

_____ an individual

_____ an individual doing business as: _____

_____ a partnership, consisting of: _____

_____ a limited liability partnership, consisting of: _____

_____ a corporation, incorporated in the state of _____

_____ a limited liability corporation, incorporated in the state of _____

_____ a trustee, acting for: _____

NAME: _____

ADDRESS: _____

CITY/STATE/ZIP CODE: _____

TELEPHONE NUMBER: _____ FAX: _____

E-mail address: _____

Signature of person authorized to sign bid

Date

Signer's name and title (type or print)

THE GOVERNMENT RESERVES THE RIGHT TO REJECT ANY AND ALL BIDS.

CERTIFICATE OF CORPORATE BIDDER

(for use with Bidder Registration and Bid Form for Purchase of Government Property)

I, _____, certify that I am _____
(Secretary or other official title)

of the Corporation (or Limited Liability Corporation) named as bidder herein; that
_____, who signed this bid on behalf of the bidder, was
then _____ of said Corporation (or Limited Liability
Corporation); that the bid was duly signed for and on behalf of said Corporation (or
Limited Liability Corporation) by authority of its governing body and is within the scope
of its corporate powers.

Signature of Certifying Officer: _____

(SEAL)

**REGISTRATION DEPOSIT BY CREDIT CARD
BORDER LAKES PROPERTY
WINTON, LAKE AND ST. LOUIS COUNTY, MINNESOTA
IFB# 1-PR-05-009**

**To: General Services Administration
Property Disposal Division (1PR)
10 Causeway Street, Room 925
Boston, MA 02222
Attn: Lisa Faletra**

Fax Number: (617) 565-5720

THIS FORM MAY BE SUBMITTED BY FAX.

By completing this form and signing in the space provided below, applicant agrees to abide by the terms and conditions set forth in the Invitation for Bids # 1-PR-05-009, including any amendments, (collectively the "IFB") for the property identified above. Applicant must be the authorized cardholder and agrees that his/her/its credit card will be debited the full amount of the registration deposit, as specified in the "Instructions to Bidders for Online Auction" Paragraph # 4, Registration Deposit. In the event that applicant is the successful bidder, the registration deposit will be applied towards the purchase price for the property. In the event that applicant is not the successful bidder, the registration deposit will be credited to the credit card account listed below.

Applicant's Last Name: (please print)_____

First Name: _____ **M.I.**_____

Address: _____

City:_____ **State:**_____ **Zip Code:**_____

My card number is: Visa _____ **Master Card**_____

Expiration:__ __/ __ __/ __ __

Name as it appears on card: _____

Driver's License No. _____ **State**_____

E-mail address:_____

Telephone number:_____ **Fax:**_____

Signature:_____ **Date:**_____

REGISTRATION DEPOSIT BY CHECK
BORDER LAKES PROPERTY
WINTON, LAKE AND ST. LOUIS COUNTY, MINNESOTA
IFB# 1-PR-05-009

To: General Services Administration
Property Disposal Division (1PR)
10 Causeway Street, Room 925
Boston, MA 02222
Attn: Lisa Faletra

Fax Number: (617) 565-5720

REGISTRATION DEPOSIT : _____ **BID AMOUNT:** _____

Certified or Cashiers Check must be made payable to: U.S. General Services Administration

Name: _____

TIN or SS#: _____

Address: _____

City/State/Zip Code: _____

Telephone Number: _____ **Fax:** _____

E-mail address: _____

Address to which refund check will be issued (if unsuccessful bidder) if different from above:

Name: _____

TIN or SS#: _____

Address: _____

City/State/Zip Code: _____

By completing this form and signing in the space provided below, applicant agrees to abide by the terms and conditions set forth in the Invitation for Bids # 1-PR-05-009, including any amendments, (collectively the "IFB") for the property identified above. In the event that applicant is the successful bidder, the registration deposit will be applied towards the purchase price for the property. In the event that applicant is not the successful bidder, the registration deposit will be returned as indicated above.

Signature: _____ **Date:** _____

ELECTRONIC FUNDS TRANSFER (EFT) ENROLLMENT FORM

Privacy Act Statement Collection of this information is authorized by 31 U.S.C. 3332(g), 3325(d) and 7701(c). The information will be used by the Government to make payments by EFT to a vendor. This information may also be used for income reporting and for collecting and reporting on any delinquent amounts arising out of a vendor's relationship with the Government. Disclosure of the information by the vendor is mandatory. Failure to provide the requested information may result in the delay or withholding of payment to the vendor.

Use this form to enroll in Direct Deposit of your federal payment from the General Services Administration

Company/Payee Name					
Address					
City		State		Zip	
Taxpayer ID Number (TIN)					

Financial Institution Name					
Financial Institution Phone Number ()		()			
Financial Institution Routing Transit Number (RTN)					
Depositor Account Title					
Depositor Account Number					
Account Type	[] Checking	[] Savings			
Company/Payee Contact Person					
Phone	()				
MUST HAVE SIGNATURE Company/Payee Authorized Signature					

FAX to Ray Campbell and Bill Russell at (816) 823-1048

Also FAX to Lisa Faletra at (617) 565-5720

Telephone: Ray Campbell (816) 823-2045 – 6BCDR

Telephone: Bill Russell (816) 926-7839 – 6 BCDR

ACCEPTANCE BY THE GOVERNMENT

The foregoing bid for purchase of the Forest Service Border Lakes Property, Winton, Lake and St. Louis County, Minnesota, GSA Control Number 1-A-MN-0583, is accepted by and on behalf of the United States of America, acting by and through the General Services Administration, on this _____ day of _____, 2005.

Signature of
Contracting Officer: _____

Name and title of
Contracting Officer: _____

UNITED STATES OF AMERICA ("SELLER") DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

Description of Real Property for Sale

The real property is located off of Minnesota State Highway 1 west of Isabella, Minnesota, known as the Isabella Administrative Site, (the "Property") and is being sold pursuant to the terms and conditions set forth in GSA INVITATION FOR BIDS (IFB) No. 1PR-05-009 to (the "Purchaser").

Lead Based Paint Hazard Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

Seller is aware that the Property was built before (circle):

1978

1960

The Property may contain lead-based paint. Seller has provided the Purchaser with access to all available records and reports (collectively "Records") pertaining to lead-based paint and/or lead-based paint hazards at the Property. The Records include:

Risk Assessment/ Paint Inspection (required for housing built before 1978): X Yes or No
Other Records: _____.

Purchaser's Acknowledgment

Purchaser acknowledges that Purchaser has received copies of all information listed above. Purchaser has received the pamphlet "Protect Your Family From Lead In Your Home." In addition, Purchaser has received an opportunity (at least ten days) to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards, and exercised or waived that right.

For housing built before 1960, Purchaser agrees to abate any lead-based paint hazards, at no cost to the United States of America, prior to allowing residential occupancy of the Property. In addition, the Purchaser agrees to provide the Seller and the Agent a fully executed Certificate of Completion of Lead Abatement prior to such occupancy.

Purchaser hereby acknowledges receipt of the above information, opportunity to perform a risk inspection and assessment, and the obligation to abate lead hazards from housing built before 1960 before occupancy: (initial/date)

Agent's Acknowledgment

The United States General Services Administration acted as Agent for the Seller in this transaction. The Agent informed the Seller of Seller's obligations under 42 U.S.C. 4852d and is aware of its compliance responsibilities.

Agent hereby acknowledges discharging its responsibility: (initial/date)

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Signature _____ Date _____

SELLER

Signature _____ Date _____

PURCHASER

Signature _____ Date _____

AGENT